

OFFICE OF  
INSURANCE COMMISSIONER*In the Matter of:*
 UNITED SERVICES AUTOMOBILE )  
 ASSOCIATION, USAA CASUALTY )  
 INSURANCE COMPANY, USAA )  
 GENERAL INDEMNITY COMPANY, AND )  
 USAA INSURANCE AGENCY, INC., )

No. G 05 - 48

CONSENT ORDER

*Authorized Insurers and licensees.*RECITALS

1. United Services Automobile Association, USAA Casualty Insurance Company, and USAA General Indemnity Company, authorized insurers, and USAA Insurance Agency, Inc., ("USAA"), seek to obtain Washington State reciprocal non-resident agent licenses for their employees that hold personal lines licenses from their resident state.
2. The Office of the Insurance Commissioner has determined that issuing property and casualty licenses to such USAA employee applicants is consistent with the public interest so long as the USAA employees that are so licensed are otherwise qualified for licenses in Washington, do not transact commercial matters in Washington, and confine their activities under such licenses to the authority granted by the employee's state of residence license for noncommercial matters.
3. USAA is willing to assume responsibility for making sure that its employees who are so licensed in Washington do not transact insurance in Washington that involves commercial matters and that such licensees do not exceed the scope of authority granted in their home states under their resident state licenses.

CONSENT TO ORDER

NOW, THEREFORE, USAA consents to the following in consideration of its desire to obtain Washington State reciprocal non-resident agent licenses for its employees that hold personal lines licenses from their resident state:

1. USAA consents to entry of this Order.
2. USAA will provide a copy of this consent order to each of its employees who now holds or in the future obtains a Washington State reciprocal non-resident agent license, and USAA will obtain and keep the signed agreement of each such employee acknowledging receipt of a copy of this order and agreeing that the employee will surrender his or her Washington license upon termination of the employee's employment with USAA and that the employee will not transact insurance in the State of Washington involving commercial matters and will not transact insurance in the State of Washington in excess of the authority granted by the employee's state of residence license. USAA will maintain such agreements for at least five years following termination of the employee's employment.
3. Within thirty days of the termination of employment of a USAA employee covered by this agreement, USAA will notify the OIC of the employee's termination of employment with USAA and the license and appointments will be terminated.
4. USAA will provide the OIC with a list of all USAA employees now holding Washington State reciprocal non-resident agent licenses whose licenses in their home states are limited to personal lines authority so that the OIC can update or modify their Washington licenses in accordance with this Consent Order.
5. USAA understands and agrees that its failure to fulfill the conditions set forth in this Order shall constitute grounds for disciplinary action against the Companies.

Executed this 19 day of July, 2005.

USAA

By:

ELLG  
ROBERT HOAGLAND

Printed Name

VP - ASST SECY  
Printed Corporate Title

ORDER

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

1. USAA shall comply with the obligations undertaken by it in the foregoing section of this Order headed "Consent to Order."

2. In consideration of USSA's undertakings herein and without prejudice to any future modification of OIC's licensing procedure the OIC may deem appropriate, the OIC will issue appropriate non-resident licenses to qualified USAA employees applying for non-resident agents licenses in Washington pursuant to the terms and conditions set forth in this Order.

3. USAA's failure to fulfill the conditions set forth in this Order shall constitute grounds for disciplinary action against the Companies.

ENTERED AT TUMWATER, WASHINGTON, this 21st day of July,  
2005.

MIKE KREIDLER  
Insurance Commissioner

By: [Signature]  
John F. Hamje  
Deputy Insurance Commissioner  
Consumer Protection Division